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Report on Reorganize State Militia (State Measure No.1); Report on Flouridation of Water (Municipal Meaure No. 55 -- Initiative; Report on Exposition - Recreation Bonds, New Series (Municipal Measure No. 54)

City Club of Portland (Portland, Or.)

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**REPORT
ON****REORGANIZE STATE MILITIA****(State Measure No. 1)**

PURPOSE: To amend Constitution by authorizing legislature to reorganize state militia. Eliminates election of certain officers. Empowers Governor and Adjutant General to appoint all officers.

To the Board of Governors,
The City Club of Portland:

ASSIGNMENT

Your Committee was appointed to study and report on the proposed state constitutional amendment to reorganize the state militia referred to the voters in 1961 by House Joint Resolution No. 5. The proposed measure rewrites Article X of the Constitution of the State of Oregon.

BACKGROUND

Article X of the Oregon Constitution has long been regarded as archaic and in need of revision. It has not been changed since the Constitution was adopted on November 9, 1857. Statutes enacted by the Legislature governing the formation and operation of the state militia have, in many instances, ignored the provisions of Article X.

At the time of adoption of Article X, the state militia had no Federal status and was a local force, organized as the needs of the times dictated. As originally formed, personnel of the state militia provided their own rifles, powder, horses and other equipment. One member was elected to command. (Oregon is the only state in the Union which, by constitutional provision, requires an election of officers.)

While Article X has aroused comment in the past, it came under searching scrutiny as the result of a committee study authorized by the Legislature in 1953. No action was taken on the committee report, but interest continued. The legislative committee of the National Guard Association of Oregon spearheaded revision, culminating in the proposed measure, and in the adoption in 1961 of substantially amended statutes relating to the militia generally (ORS Chapter 396), military justice (ORS Chapter 398) and the organized militia (ORS Chapter 399).

INVESTIGATION

Investigation and discussion were somewhat hampered by the fact that your Committee was unable to find any opposition to the proposed constitution revision. Persons identified with the proposal were contacted and information solicited. These included: Judge Jean Lewis (formerly senator from Multnomah County) and Representative Winton Hunt (Marion County), the sponsors of House Joint Resolution No. 5; Colonel Staryl Austin, Jr., Chief, Administrative Division of the State of Oregon Military Department; and Warne Nunn, Administrative Assistant to the Governor. Without exception, all persons contacted strongly favored the proposal and presented convincing arguments why it should be adopted. In addition, your Committee reviewed the written data and arguments submitted by its proponents at legislative hearings and other public meetings. No one contacted by the Committee was able to advise of any opposition.

ANALYSIS

The proposed measure is a "housekeeping" measure to permit the modernization of the state militia.

The proposed measure repeals Sections 4 and 5 of Article X. Section 4 relates to the appointment of staff officers by the generals, colonels and commandants of the various regiments, battalions or squadrons, and provides that the Governor shall commission all line and staff officers. Section 5 provides that the Legislature shall fix by law, the method of dividing the militia into divisions, brigades, regiments, etc., and make all other needful rules. The substance of these two repealed sections is covered by the proposed amendments to Section 1 and Section 3.

Section 1 now provides that the militia of the state consists of all able bodied male

citizens between the ages of 18 and 45, except those exempted by Federal or state law. As amended, the Legislature would simply be given the authority to provide, by law, for the "organization, maintenance and discipline of a state militia for the defense and protection of the State". Such a broad approach is entirely consonant with modern times and provides the degree of flexibility needed to meet changing conditions.

Section 3 presently provides for the appointment by the Governor of the Adjutant General, of chief officers of the general staff, and of the Governor's own staff, and that all other officers of the line are to be elected by the persons subject to military duty. As amended, the archaic and unworkable procedure of election of line officers by men under their command — an anachronism in modern times — is supplanted by the power granted to the Governor to appoint such line officers upon recommendation of the Adjutant General. The Governor would, of course, retain his power to appoint the Adjutant General.

An analysis of the measure would not be complete without a concurrent analysis of ORS chapters 396, 398 and 399 passed by the 1961 Legislature and relating to the militia generally, military justice, and the organized militia. It is immediately apparent upon reviewing these statutory enactments that clear conflicts exist between them and present Article X. For example, ORS 399.405 provides that all commissioned officers of the organized militia shall be appointed and promoted by the Governor upon recommendation of the Adjutant General. It therefore clearly conflicts with present Section 3 of Article X, which provides for the election of officers, but conforms wholly with amended Section 3 as proposed, which provides for appointment by the Governor.

ORS chapters 396, 398 and 399 appear to be wholly consistent with existing concepts of a Federally-recognized militia, supported primarily from Federal funds and following Federal criteria in the appointment and promotion of officers and men. These chapters, taken in conjunction with the proposed measure (if the latter is adopted), would leave the Legislature and the Governor, subject to overriding Federal law, free to shape the structure and administrative procedures necessary to a modern militia to meet present needs and contemplated needs of the years ahead.

Section 2 is the only portion of the measure which aroused any controversy in the Legislature when House Joint Resolution No. 5 was pending for consideration. It relates to service by conscientious and religious objectors. Section 2 presently provides that such persons shall not be compelled to bear arms in time of peace, but authorizes them to "pay an equivalent for personal service". Section 2, as amended by the proposed measure, provides that such persons shall not be compelled to bear arms and deletes their right to escape duty by paying "an equivalent for personal service". (As the Committee construes the amendment, conscientious and religious objectors would not be exempted from service in time of peace or war, but would not be required to bear arms.)

This provision was adjusted in conference committee to preserve the right of conscientious objectors not to be forced to bear arms, and, as adjusted, conforms to accepted constitutional privileges and immunities. Upon such adjustment, the measure passed both houses of the Legislature without a single dissenting vote.

CONCLUSIONS

Passage of the proposed measure is highly desirable. Present Article X is archaic, outmoded and completely unworkable. The proposed amendment, Ballot Measure No. 1, provides the flexibility needed for the state government to meet present and anticipated needs in organizing and governing the state militia while, at the same time, preserving constitutional liberties.

RECOMMENDATION

Your Committee recommends that the City Club approve a "Yes" vote on this proposed Constitutional Amendment which is Ballot Measure No. 1.

Respectfully submitted,

GEORGE E. FRECK

JACK L. KENNEDY

ALEX L. PARKS, *Chairman*

Approved by the Research Board October 26, 1962, for transmittal to the Board of Governors.

Received by the Board of Governors October 29, 1962 and ordered printed and submitted to the membership for discussion and action.

REPORT
ON**FLUORIDATION OF WATER*****(Municipal Measure No. 55 -- Initiative)***

Charter Amendment requiring city Bureau of Waterworks to fluoridate water supplied or distributed by city, at Health Bureau expense, using methods, manner and equipment approved by and subject to rules and regulations of Oregon State Board of Health and approved by City Bureau of Health.

To the Board of Governors,
The City Club of Portland:

Your Committee was appointed to report on the above proposed charter amendment which was placed on the general election ballot by initiative petition and would require fluoridation of the Portland water supply.

Reports supporting the principle of fluoridation were made by committees and adopted by members of the City Club in March, 1955 and again in October, 1956. Since those reports, evidence in support of fluoridation has continued to build up. The Newburgh-Kingston, N.Y., Caries-Fluorine Study, begun in 1946, has been considered the most ambitious and extensive of all controlled studies undertaken in this country. The final report¹ was presented ten years after the start of the project. The four papers of the final report recounted the history of the project, discussed the pediatric implications², reviewed the present knowledge of fluorine metabolism³ and presented the dental aspects of the study.⁴ The final findings of this study established the safety of water fluoridation as well as the benefits to children during the teeth formation years.

The many national and local organizations listed in the 1955 City Club report as supporting fluoridation of the public water supply, including the medical and dental associations, continue their endorsements of fluoridation.

The Oregon State Board of Health strongly urges each community with a fluoride-deficient water supply to make up for that deficiency by fluoridating its water. It reported to your Committee that about 22 communities in Oregon are now fluoridating their water, and that in addition a 1955 survey of natural fluoride content in 11 other communities in Oregon showed amounts up to 1.6 p.p.m. in some areas. A natural fluoride content of 2.20 parts per million was recorded for Arlington in a 1949 test.

In the Salem Heights Water District where fluoridation was begun in January, 1953, a recent survey was conducted to compare the teeth of the children in that area with those of 5,000 children in other communities which had no fluoridation. The younger Salem Heights children, who had been drinking fluoridated water since birth, showed an average of nearly 60 per cent fewer cavities than children of other communities of comparable ages. Older children also showed a definite reduction in incidence of caries, in percentages ranging from 29 to 43.

The effectiveness of fluoridation in the reduction of dental caries was also dramatically illustrated in a recently-completed survey by the Oregon State Board of Health for the cities of Astoria and Pendleton, where water supplies have been fluoridated since 1952. Six-year-olds in Astoria before fluoridation averaged .9 decayed, missing or filled teeth. The average for this age group after the city had

¹The Journal of the American Dental Association, Vol. 52, pp 290-325, March 1956.

²Scheslinger, M.D., and others, "Newburgh-Kingston caries-fluorine study XIII. Pediatric Findings after 10 years", the Journal of the American Dental Association, Vol. 52, pp 295-366, March 1956.

³Harold C. Hodge, Ph.D., Rochester, N.Y., "Fluoride metabolism: its significance in water fluoridation", The Journal of the American Dental Association, Vol. 52, pp 307-314, March, 1956.

⁴David B. Ast, D.D.S., and others, "Newburgh-Kingston caries-fluorine study XIV. Combined Clinical and roentgenographic dental finding after ten years of fluoride experience". The Journal of the American Dental Association, Vol. 52, pp 314-325, March, 1956.

had fluoridation for 7 years was .2—a reduction of 78 per cent. Pendleton showed a similar drop of 63 per cent. The children tested after fluoridation were those that had resided continually in the community.

Fluoridation costs as related to the City of Portland's water supply based on current cost estimates, were secured from the office of the Commissioner, Department of Public Utilities, City of Portland, Oregon. These costs are estimates only, inasmuch as building and equipment design studies have not been made. Costs are as follows:

Total estimated cost of facilities.....	\$70,000.00
Total Annual operation cost (estimated)	67,700.00
Annual Cost Per Person per Year: 12.3 cents	

Your Committee interviewed Eldon W. Snow, M.D. and G. W. Allen, M.D. both of whom practice in Portland and are members of a small but well-organized group of physicians and dentists in the United States who oppose fluoridation of public water supplies. The statements and evidence against fluoridation which they submitted to the Committee were carefully examined. Their objections have been answered both in the original 1955 City Club research report, and more recently by Elwell and Easlich of the School of Public Health, University of Michigan, in their monograph entitled "Classification and Appraisal of Objections to Fluoridation" printed in 1960.

However, there is a particular local objection which apparently is based upon misinformation. Your Committee has frequently heard the statement made that Portland's water supply contains nothing but "pure water", and therefore we should add nothing to it. This is not true.

It is true that Portland has a water supply with a lower dissolved solids content than almost any other in the country, but "lower" does not mean "none at all". A recent analysis⁵ of this city's water supply as it arrives for distribution showed a dissolved solids content of 35 parts per million. This includes such things as calcium at 2.7, magnesium at 1.2, silica at 8, sulfate at 1.3, chloride at 2.4, etc. It also includes fluoride at 0.04 parts per million. Thus, the addition of enough fluoride to bring this level up to the recommended 1.0 parts per million requires the addition of only 1/35 of the quantity of dissolved solids already present in the water and is simply increasing the concentration of this ion, which is in our water supply naturally, to a level which makes it effective in the control of dental caries in children.

At the 1.0 parts per million level of concentration there is no difference between the fluoride ion which comes from the natural source and that which is added in the form of sodium fluoride.

CONCLUSIONS

Your Committee finds that the summary and findings of the 1955 City Club long-range study on fluoridation have been substantiated by recent research, and re-endorses them, as follows:

"... The fluoridation of public water supplies as a public health measure has been ... as thoroughly investigated as any public health measure ever proposed.

"... The overwhelming weight of dental, medical and other scientific opinion in the United States and Great Britain confirms fluoridation of public water supplies as a safe and economic way of cutting the incidence of dental caries by at least one-half.

"... The Committee has found no ... evidence in conflict with this overwhelming weight of scientific opinion.

"... Fluoridation of water supplies is not a substitute for dental care, but fluoridation with or without dental care achieves a substantial reduction in caries unobtainable by other means."

⁵Charlton Laboratories, Portland, Oregon, Nov. 1961.

RECOMMENDATION

Therefore, your Committee agrees with the original stand of the City Club in favor of fluoridation and recommends that the City Club support this charter amendment and advise a vote of "Yes" on Municipal Ballot Measure No. 55.

Respectfully submitted,

J. PATRICK CRAVEN

DR. MARSHALL CRONYN

GENERAL ORVILLE E. WALSH

WILLIAM B. WOOD

CLARENCE A. ILLK, *Chairman*

Approved by the Research Board October 19, 1962, for transmittal to the Board of Governors.

Received by the Board of Governors October 22, 1962 and ordered printed and submitted to the membership for discussion and action.

REPORT
ON
**EXPOSITION-RECREATION BONDS,
NEW SERIES**

(Municipal Measure No. 54)

Ballot Title: Charter amendment authorizing general obligation bonds not exceeding \$4,000,000 for additional site acquisition, expansion, extension, improvement and betterment of Exposition-Recreation properties and facilities, including convention and exposition facilities and additional parking, and permitting allocation of net revenues for payment.

To the Board of Governors,
The City Club of Portland:

Your Committee was appointed to report on the above municipal ballot issue which, if passed, will allow the construction of a Convention Hall and the acquisition of additional parking on the grounds of the present Memorial Coliseum. The bonds, not to exceed \$4,000,000 would be payable in not less than three nor more than twenty years.

SCOPE OF COMMITTEE'S WORK

In its study your Committee, or its individual members, interviewed the following persons: City Commissioners Ormond R. Bean and William A. Bowes; Mr. T. R. Bruno, Chairman of the Exposition-Recreation Commission; Mr. Richard England, planner for the Portland Development Commission; Mr. William Holm, Certified Public Accountant with the firm of Arthur F. Young & Co., auditors for the E-R Commission; Mr. Don Jewell, manager of the Memorial Coliseum; Mr. Lloyd Keefe, Director, City Planning Commission; Mr. V. A. McNeil, manager of the Convention Bureau of the Portland Chamber of Commerce, and Mr. Frank Smith of the City Assessor's office. Statements of position on the measure were requested from Mr. Joe Dobbins, former head of Portland Tax Saver's Association; Mr. R. J. Frank, Jr., President, Portland Board of Realtors, and Sam O. Plunkett, Executive Secretary, Portland Apartment House Owners Association. There were no formal statements forthcoming from these groups. In addition, the Committee has had available for study the various previous City Club reports on the E-R Center; the complete minutes and recommendations of the Facilities Study Committee appointed by Mayor Terry D. Schunk in November, 1961, and verbal testimony based on the financial statements showing income and expenditures of the E-R Commission, ending June 30, 1961.

BACKGROUND

The long and stormy background which led to the eventual construction of today's Memorial Coliseum is well known, but has no relevance to this measure.

According to the financial statement ending June 30, 1961, the E-R Center has been able to pay its operating costs and making improvements and betterments in the amount of \$120,796.56, while maintaining a contingency fund of approximately \$100,000. Testimony on the 1962 figures states the operation is "in the black", exclusive of debt service, but with a reduction in net income.

The original \$8,000,000 for the E-R Center was a capital outlay financed by general obligation bonds of the City. These are being repaid out of general city tax revenues. This would also be true of the general bond issue now under consideration. The E-R Commission is permitted by charter to use operating income to help repay this indebtedness, but, according to testimony given this Committee, it is not likely to do so.

Your Committee is confident that the management of the Coliseum has been competent, that the facility has been an important adjunct in presenting major attractions to Portland, and has reflected well on the City. However, your Committee is somewhat disturbed by the failure of the representatives of the E-R Commission to whom the Committee was referred, to furnish the Committee with requested financial and other specific information.

WHAT THE MEASURE WOULD DO

The measure would authorize "General obligations bonds not exceeding \$4,000,000 for additional site acquisition, expansion, extension, improvement and betterment of Exposition-Recreation properties and facilities, including convention and exposition facilities and additional parking . . ."

T. B. Bruno, chairman of the E-R Commission, stated that if the measure passes, the Commission will spend the \$4,000,000 as follows:

1. \$2,846,000—for a 3,000 seat Convention Hall, complete with fixtures and equipment, to occupy a portion of the present parking area just north of the Coliseum and attached thereto. It would have a main convention floor of 45,000 square feet, with an entrance on the same level as the main entrance to the Coliseum. This floor would be usable for either exhibits or meetings of 3,000 or less persons. For banquets it would seat an estimated 2,350 persons. The lower level would have meeting rooms of approximately 10,800 square feet, capable of accommodating 1,350 persons. The Convention Hall could be reached from either level of the Coliseum without exposure to the weather. Storage, lounge, kitchen, and other facilities would also be provided.
2. \$500,000—for additions to the Memorial Coliseum's exhibition area and conference rooms.
3. \$500,000—for further land acquisition to be devoted to parking spaces to partially compensate for the 120 spaces which would be lost to the Convention Hall site. (It should be noted that the over-all parking capacity would be reduced by some 40 spaces, should this plan be carried through).
4. \$154,000—contingencies for construction.

ARGUMENTS ADVANCED IN FAVOR OF THE MEASURE

1. The E-R Commission states that this measure is necessary in order to place Portland in a competitive position to attract the "bread and butter" conventions of some 3,000 people, and that the \$4,000,000 will provide facilities which are now lacking.
2. Additional conventions will bring fresh money to the Portland Metropolitan area.
3. The E-R Commission has highly preferred, centrally located space for the construction of the convention facility.
4. A 3,000-seat convention hall and additional meeting facilities will be an important and useful asset to Portland citizens.
5. The additional facility will relieve present scheduling conflicts and permit scheduling of additional events.
6. Delaying the construction of these needed facilities would mean higher costs later.
7. Portland's tax dollar burden has gone up less in the last ten years than the total personal income and this special bond issue is not an exorbitant request.

ARGUMENTS ADVANCED AGAINST THE MEASURE

1. A convention hall seating 3,000 people would duplicate and compete with existing facilities at the Memorial Coliseum, which accommodates conventions of up to 15,000 people.
2. On completion of the Hilton Hotel, Portland will have at least seven different convention facilities (not counting Public Auditorium) capable of accommodating meetings of 800 to 2,300 people.
3. Portland is now host to about 300 conventions a year. Inasmuch as only 15 per cent of all conventions fall in the "bread and butter" category, there is substantial doubt as to the number of additional conventions, if any, the proposed hall would attract.
4. Since World War II, the number of cities with convention facilities has increased by 35 per cent, while the number of nationwide conventions has increased by only 2 per cent.
5. Representatives of the E-R Commission have testified that convention halls in other cities generally lose money, and there is no reason to believe that the proposed hall would be an exception to this rule.
6. Because Portland does not have a sales tax or a hotel occupancy tax, the City government would not realize revenues that might otherwise justify the proposed investment and the additional costs of maintaining the facility.
7. Taking into account the fact that 64 per cent of each convention dollar is

spent in hotels, restaurants, and night clubs, and on beverages, it is doubtful that the additional conventions, if any, attracted by the proposed hall would benefit Portland's over-all economy sufficiently to justify an investment of \$3,346,000.

8. Although the bonds would be general obligations of the City, revenues of the proposed hall, as do those of Memorial Coliseum, would go to a special E-R fund rather than to the City's general fund. Future losses, if any, would be sustained by the general taxpayer while net income, if any, would not be added to the City's general fund.

9. In the absence of any master plan by the E-R Commission for the development of future facilities for Portland, such as a new stadium, symphony hall, etc., it is impossible to justify the top priority given this proposed facility by the Commission.

10. Portland taxpayers are being asked, in effect, to subsidize a relatively small segment of the economy at the same time that the City, because of inadequate tax revenues, is unable to provide needed and essential services for the general public.

PROPONENT MAJORITY DISCUSSION

Portland is in the convention business. Proof of this lies in the fact that 300 conventions were held here last year, and that as of September 1 of this year, the dollar value of 1962 conventions booked is estimated at \$12,400,000 by the Convention Bureau of the Portland Chamber of Commerce.

The money conventions bring in is fresh money, spent by outsiders who visit the city. The majority of the Committee is quite aware of the lack of a direct Portland tax on this spending and of the fact that the immediate beneficiaries of money spent are primarily hotels, restaurants, retail stores and night clubs, but in the long run it is the Portland citizen who gains as new money is injected into the city's economy. The International Association of Convention Bureaus says the convention dollar turns over six times in a community after being spent, thus multiplying many times its original purchasing power. Not only are improved convention facilities needed to attract new conventions, but to maintain existing level of conventions drawn to Portland.

More and more cities are realizing the value of convention business and are competing with new fervor for it. Particularly Seattle, with its complex of buildings left from Century 21, offers great competition for the convention dollar, but there are other cities equally competitive. Las Vegas has one of the most elaborate convention halls and exhibition facilities in the nation; San Diego and Oakland are moving ahead with complexes of new convention buildings; we are told that Honolulu maintains a fund of \$100,000 for the entertainment of executive secretaries whose favorable decisions are necessary in selecting convention sites. San Francisco's Convention and Visitors Bureau has authorized a \$220,000 magazine advertising campaign to attract conventions.

In the light of this ardent wooing by various cities, the convention site-seeker can afford to be highly selective, and the selection pattern is changing. Today's convention demands enormous exhibit space and a complex of small rooms separated from the main convention floor, as well as dining facilities within the convention area. Today's conventioneer doesn't have to settle for second best in facilities and accommodations, and the cities prepared to meet the competition can attract their fair share of conventions and reap the benefits.

Portland's Memorial Coliseum does not offer the facilities in exhibit space and meeting rooms that convention seekers demand. Conventions that attract 2,000 or fewer delegates are too small to utilize the main arena of the Coliseum, but are still too big to be accommodated by the other rooms. (The Georgia-Pacific room at the Coliseum will handle a maximum of 1,000 people). Portland's void exists in the convention category of from 1,000 to 3,000 persons—the "bread and butter" of the convention business.

While it may be said that Portland has a number of buildings which can accommodate conventions of from 800 to 2,300 people, these buildings do not offer the necessary exhibit space nor the necessary dining facilities in one place under one roof.

As an example of the convention pressure for meeting rooms, the Convention Bureau of the Portland Chamber of Commerce has advised us that it has lost several national conventions because there are no facilities which provide enough individual meeting rooms and enough exhibit area.

The proposed municipal measure No. 54 will provide for the city a complex of facilities which—under one roof and in one favorable location—are not currently available.

The majority of your Committee feels delay in constructing the necessary convention facilities now will only lead to additional costs later on. The majority also believes that the additional tax burden is not excessive, amounting—over the 20-year period—to \$9.95 for each \$100 of taxes collected this year. We are also cognizant of the fact that while there are constant outcries against increasing tax burdens, our taxes have not increased at the same rate as income. We believe that a 20-year levy such as is proposed is reasonable.

CONCLUSIONS OF THE MAJORITY

The majority of your Committee believes that all good public facilities cost money. As the late Justice Holmes once noted, "When I pay taxes, I buy civilization". We believe that the convention business is an industry of such importance that Portland must establish herself more firmly in this highly competitive field—but that Portland cannot accomplish this with existing facilities. We realize that there can be no guarantee that new facilities will attract new visitors, but it is the opinion of those who aggressively seek conventions that they will, and the majority of your Committee respects the opinion of these professionals. We are optimistic that Portland's further efforts to earn outside dollars will succeed.

We are cognizant of the fact that every new undertaking in Portland—the present Coliseum, the zoo, the Lloyd Center, OMSI—have been highly successful. We find no reason to doubt that the proposed convention facility will be equally successful.

MAJORITY RECOMMENDATION

The following members, representing the majority of your Committee, recommend that the City Club support Municipal Measure No. 54.

Respectfully submitted,

DR. RICHARD FROST

R. F. GREFE

RONALD WATSON

DEL LEESON, *Chairman for the Majority*

OPPONENT MINORITY DISCUSSION

Of the total \$4,000,000 that would be authorized by this measure, the F-R Commission proposes to spend \$3,346,000 for a convention hall seating 3,000 people, and for land to replace a part of the present parking area that the hall would occupy. As indicated elsewhere in this report, there appears to be no organized opposition to the measure, or to the Commission's plans for spending the money if the measure is passed. The minority of your Committee has listened to the proponents' arguments with an attitude of hopeful expectation that they would justify the proposed expenditure in terms of need and desirability. In our judgment, however, these arguments amount to nothing more than vague generalities and slogans which do not stand up under close scrutiny. In addition, the proponents have failed to provide suitable answers to obvious questions that inevitably arise when taxpayers are asked to finance a major capital expenditure.

The essence of the argument in favor of this measure may be stated as follows. "Portland lacks sufficient facilities to obtain optimum 'fresh money' from the 'bread and butter' conventions of 1,000 to 3,000 people", and the City should take steps to fill the gap.

In view of the fact that some 300 conventions were held in Portland during the past year, the minority of your Committee attempted to determine the "gap" that would be filled by this measure. Portland now has, or will shortly have, the following facilities capable of handling conventions in the sizes indicated:

Facility	Seating Capacity of Largest Meeting Room
Multnomah Hotel	800
Benson Hotel	900
Georgia-Pacific Room at Coliseum	1100
Masonic Temple	1500
Neighbors of Woodcraft	1500
Sheraton Hotel	1600
Hilton Hotel	2300

Inasmuch as the proposed Convention Hall would have a capacity of but 3,000, it becomes evident that the increment in convention capability obtained is very small indeed: those conventions larger than 2,300 persons, but less than 3,000. The very existence of this small "gap" is cast in doubt by the fact that of 40 conventions held or scheduled at the Coliseum, 29 have involved 3,000 people or less, precisely the convention category for which the proposed facility is intended. While the proponents of this measure have failed to make an estimate of the actual number of conventions available in this "bread-and-butter" category, they do admit that they amount to only 15 per cent of all conventions. How many of this small percentage, if any, would be attracted to Portland by the proposed hall is so conjectural that it only strengthens our conviction that the need for this facility is slight in the extreme.⁽¹⁾

In view of the fact that the proposed hall would duplicate and compete with present facilities, the minority of your Committee doubts that it would attract a significant number of new conventions to Portland. However, for purposes of argument, we felt obliged to assume that it would attract some new conventions. This assumption is made without supporting testimony or evidence by proponents of the measure, and despite substantial evidence to the contrary, solely for the purpose of pursuing the question of "fresh money".

The money spent by conventions in Portland is estimated at about \$12,000,000 per year. A 1957 study by the Portland Chamber of Commerce indicates that this money is spend as follows:

	Per Cent
Hotels	34
Restaurants	13
Night Clubs	10
Retail Purchases	20 ⁽²⁾
Beverages	7
Sightseeing	4
Car, oil, gas	3
Miscellaneous	9
	100

The proponents of this measure have failed to relate these figures in any way to their potential use in the general economy, and the minority of your Committee is extremely doubtful that the "fresh money" envisaged would benefit Portland taxpayers sufficiently to justify the investment asked by this measure.

The investment asked by this measure is not a "one shot" proposition. Unlike other cities with large investments in convention facilities, Portland does not have a sales tax or hotel occupancy tax which would enable it to use convention dollars

(1) In *Portland Progress*, a propaganda news-sheet issued by the proponents of Measures No. 52 and No. 54, it is stated:

"Portland officials are confident that with the addition of a new Convention Hall . . . the total convention dollars spent here in the near future will be virtually doubled." The Coliseum this year accommodated less than 20 per cent of Portland's convention-goers. In order to double Portland's "convention dollars", the E-R Commission would have to increase its present convention business more than ten-fold! There has been absolutely no demonstration that this can be done at all, much less without competing with existing private and public facilities.

(2) The proportion spent on retail purchases varies according to the type of convention: in the case of national conventions, it is considerably lower than the figure shown, while it is considerably higher in the case of statewide conventions held in Portland.

either to recover the initial expenditure or to pay for the additional municipal services required by conventions. In addition, it must be pointed out that, according to E-R Commission testimony, convention halls invariably lose money. This may be partially due to the fact that the number of cities with convention facilities has increased by 35 per cent since World War II, while the number of national conventions has increased by only 2 per cent. Although the present Coliseum—an entirely different operation from a convention hall—is operating profitably, its second year's income after depreciation was only half that for the first year. As presently constituted, the Coliseum may be able to operate in the black for several years. However, with the addition of what will almost certainly be a money-losing convention hall, the ability of the E-R Commission to function without recourse to the City's general fund will be in severe jeopardy. Unless we discount entirely the experience of other cities, we are faced with the strong likelihood that the City's taxpayers would have to start paying for the annual operation of the proposed facility almost immediately.

The remaining arguments presented in favor of this measure require only brief comment. The argument that a convention hall should be built now because construction costs may be higher in the future would, if accepted, justify any construction project, including the Tower of Babel. This also applies to the argument that the proposed site is well located for another convention facility. Moreover, in view of the parking problem at the Coliseum, there is every reason to believe that this space would serve a more useful function if it were retained as a parking area than if it were converted to a convention hall. Concerning scheduling conflicts at the Coliseum, your Committee is aware of only two conflicts. These involve the Portland Home Show and the Portland Boat Show, neither of which is likely to move to another city if the proposed hall is not built.

In addition to failing to demonstrate a sufficient need for a convention hall seating 3,000, the proponents have also failed to justify the measure in terms of other facilities which could be built with a similar amount of money. Providing convention facilities is not the E-R Commission's only function. It is also charged with the duty of providing park and recreation facilities, as well as facilities for sports events, concerts, and "any other types of entertainment and recreational events." To our knowledge the Commission has no master plan for the development of such facilities, which include a new stadium, symphony hall, etc. Portland's need for these facilities is well known. In these circumstances, it is impossible to justify the top priority given to a convention hall which, at best, would be of marginal benefit to a few Portlanders and of no benefit to the others.

MINORITY CONCLUSION

The proponents of this measure have failed to demonstrate that Portland's present facilities are not adequate for conventions of 1,000 to 3,000 people, or that another convention facility would be of sufficient benefit to the city to justify a \$4,000,000 expenditure. In addition, this measure has not been justified in terms of other uses to which the same amount of money could be put.

MINORITY RECOMMENDATIONS

(1) The minority of your Committee recommends that the City Club oppose Ballot Measure No. 54.

(2) If the above recommendation is adopted, it is our further recommendation that the City Club recommend to the E-R Commission the establishment by the E-R Commission of a master plan for development of facilities within its jurisdiction, including priorities among various types of facilities.

Respectfully submitted,

IVAN KAFOURY

RONALD L. ORLOFF

EDWARD H. RATHBUN

for the Minority

Approved October 23, 1962 by the Research Board for transmittal to the Board of Governors.

Received by the Board of Governors October 29, 1962 and ordered printed and submitted to the membership for discussion and action.

SUMMARY OF BALLOT MEASURE RECOMMENDATIONS

Number	Title	Committee Recommendation	Club Vote
State Ballot:			
1.	Reorganize State Militia	Yes	Nov. 2 Vote
2.	Forest Rehabilitation		
	Debt Limit Amendment	Yes	Yes ★
3.	Permanent Road		
	Debt Limit Amendment	Yes	Yes ★
4.	Power Development		
	Debt Limit Amendment	Yes	Yes ★
5.	State Courts: Creation	(Majority Yes	
	and Jurisdiction	(Minority No	Yes
6.	Daylight Saving Time	Yes	Yes
7.	Six Percent Limitation Amendment	Yes	Yes ★
8.	Restricting Commercial Fishing	Removed from ballot by Supreme	
	on Columbia River	Court action	
9.	Legislative Apportionment	(Majority No	
	Constitutional Amendment	(Minority Yes	No (80 to 41)
10.	Repeals School District		
	Reorganization Law	No	No ★
Municipal Ballot:			
51	Special City Tax Levy for Civil		
	Defense and Disaster Relief	Yes	Yes (85 to 64)
52	Establishing New City Tax Base	Yes	Yes
53	Partial Charter Revision	No	Nov. 2 Vote
54	Exposition-Recreation Bonds,	(Majority Yes	
	New Series	(Minority No	Nov. 2 Vote
55	Fluoridation of Water	Yes	Nov. 2 Vote

* Unanimously accepted.